

## ROUTING AND TRANSMITTAL SLIP

Date  
25 Nov 1987TO: (Name, office symbol, room number,  
building, Agency/Post)

Initials

Date

1. DIRECTOR OF LOGISTICS

2.

3.

4.

5.

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

## REMARKS

#1 - FOR APPROPRIATE HANDLING.

DO NOT use this form as a RECORD of approvals, concurrences, disposals.

FROM: (

EXA/DA

Room No.—Bldg.

Phone No.

5041-102

☆ U.S. GPO: 1986-491-247/40012

OPTIONAL FORM 41 (Rev. 7-76)  
Prescribed by GSA  
FPMR (41 CFR) 101-11.206

DDA SUBJECT FILE COPY

STAT

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**ROUTING AND TRANSMITTAL SLIP**

Date 25 Nov 87

TO: (Name, office symbol, room number, building, Agency/Post)		Initials	Date
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**REMARKS**

Hank:

Attached communication from Defense Mapping Agency was addressed to Bob Gates, but I'm passing it on to you because it looks like something OL should be aware of.



DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)	Room No.—Bldg.
	Phone No.

AO/DCI

5041-102

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**OPTIONAL FORM 41 (Rev. 7-78)**  
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DD/A Registry  
87-2525XDEFENSE MAPPING AGENCY  
BUILDING 56 U S NAVAL OBSERVATORY  
WASHINGTON D C 20305-3000DMAINST 8050.2  
PPI  
11 September 1987DMA INSTRUCTION 8050.2

SUBJECT: Providing Mapping, Charting and Geodesy Products and Services on a Reimbursable Basis

REF: See Enclosure 1.

1. Purpose. This instruction establishes the DMA policies and procedures to be followed in providing MC&G products and services on a reimbursable basis and for processing requests for non-MC&G products and services.

2. Cancellation. This instruction cancels DMAINST 8050.2, 11 August 1976.

3. Applicability. This instruction applies to HQ DMA and all DMA Components.

4. Scope.

a. This instruction will be followed, as applicable, when providing MC&G products and services on a reimbursable basis to other Federal Government agencies (including NASA; foreign governments and international organizations; persons and organizations in the private or nongovernmental sector; and, under certain circumstances, components of the Department of Defense). Provisions of DMA Instruction 8052.3 (reference b) apply and supplement this instruction for reimbursable programs with NASA.

b. This instruction is not applicable to the provisioning of validated DoD MC&G products and services by DMA to DoD components including Reserve and National Guard forces, and activities of the Coast Guard, Civil Air Patrol, and the ROTC. Except under unusual circumstances, products and services are provided without reimbursement as a DMA mission responsibility.

c. For the purpose of this instruction, the U.S. Coast Guard and the U.S. Coast Guard Reserve, Department of Transportation, are considered in the same category as a U.S. Naval and U.S. Naval Reserve activity, respectively.

5. Definition. For the purpose of this instruction reimbursable is defined as a request for nonvalidated, nonrecurring MC&G products and services not readily available for sale across the counter. See DMAINST 8660.1 (reference a).

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6. Policy and Criteria.

a. General Criteria. DMA Components will engage in reimbursable activities subject to the following criteria:

- (1) The request is within the DMA capability.
- (2) There are no adverse impacts on the DoD MC&G program.
- (3) The nature of the work does not put DMA in competition with domestic commercial firms and does not impinge on the mission of other government agencies.
- (4) The work will provide future benefits to the DoD or will further national or foreign policy objectives of the United States.

b. Specific Policies.

- (1) DMA Components will provide and receive base operating type support pursuant to a host-tenant Interservice Support Agreement developed in accordance with the provisions of DoD Instruction 4000.19 (reference c).
- (2) Sales to the public of DMA produced maps, charts, and other publications will be in accordance with DMA Instruction 5400.7 (reference d), and will be offered for sale at prices developed in accordance with DMA Instruction 8660.1 (reference a).
- (3) Sales of DMA specialized products and services (including training) to foreign countries and international organizations will be in accordance with applicable Foreign Military Sales Agreements, and will be sold at prices developed in accordance with DoD 7290.3-M (reference e).
- (4) Specialized or technical DMA services may be provided to state and local units of government pursuant to the provisions of DMA Instruction 7730.53 (reference f).
- (5) DMA support of non-MC&G products and services (other than as provided for in paragraph 6.b.(1), above) will be provided only in exceptional circumstances and should only be provided on a reimbursable basis, e.g., when a capability is unique to DMA.

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(6) With the exception of certain non-DoD products stocked by DMA because of high demand from DoD users, DoD components requesting products produced by other government agencies and commercial vendors that are not validated DoD MC&G products, will normally be required to reimburse DMA for such products. Included are Reserve and National Guard forces and activities of the Coast Guard, Civil Air Patrol, and the ROTC. It is preferred that the requesting DoD element purchase these products directly from the producer.

(7) DMA support for validated DoD MC&G products and services requested by non-DoD elements will normally be reimbursed to DMA unless the products and services are provided on a nonreimbursable basis in accordance with interagency or international agreements.

c. Pricing Criteria and Processing of Receipts.

(1) DMA Components rendering services on a reimbursable basis will charge customers uniformly (except as otherwise specified in the references cited in paragraphs 6.b.(1), (2), and (3)) and in an amount sufficient to recover the total costs incurred in rendering the services. Costs will be based on existing cost accounting systems data or cost analysis. Total costs include direct and indirect expense, such as:

(a) Civilian personnel costs, (direct labor and overhead).

(b) Military personnel costs when appropriate.

(c) Costs for materials, supplies, travel expense, communications, utilities, equipment and property rental, and maintenance of property and equipment.

(d) A proportionate share of management and supervisory costs at the Component where the service is performed is to be applied uniformly to all reimbursable customers (reference Enclosure 2).

(2) Reimbursement from non-DoD U.S. Government agencies for small numbers of off-the-shelf Standard DMA products should be provided under the provisions of paragraph 6.c.(4)(d)2, below, when appropriate. Reimbursable requests from non-DoD U.S. Government agencies for off-the-shelf Standard DMA products in high volume that would exceed the threshold cited in paragraph 6.c.(4)(d)2 should be priced as follows:

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(a) Apply cost estimating procedures cited in paragraph 2 of Enclosure 2.

(b) Compute costs beginning with the printing phase of production for the additional press run necessary to print the copies that would be in excess of normal DoD requirements.

(3) Reimbursements for costs shall be credited to the appropriation or fund which finances the production of the items and/or services furnished or to Miscellaneous Receipts, U.S. Treasury, as follows:

(a) Receipts will be treated as appropriation reimbursements if the customer is a Federal Government agency, a state or local unit of government, a foreign government, international organization, or a private organization requiring unique DMA expertise in direct support of a Federal Government contract.

(b) Receipts from the private sector for products and services and any other receipts not encompassed by paragraph 6.c.(3)(a) will be deposited to the Miscellaneous Receipts account of the Treasury.

(4) In general, charges may be waived or reduced when:

(a) The recipient of the benefits is engaged in a nonprofit activity designed for the public safety, health, and welfare.

(b) Payment of the full costs or fee by a state, local government, or nonprofit group would not be in the interest of the program.

(c) Furnishing of the service without charge is an appropriate courtesy to a foreign country or international organization, or comparable fees are set on a reciprocal basis with a foreign government.

(d) The incremental cost of collecting the fees would be an unduly large part of the receipts from the activity.

1. Unless the cost of billing and processing is expected to exceed the costs of the services rendered, reimbursement from individuals and organizations in the private sector, state and local government units, foreign countries, and international organizations will not normally be waived.

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2. The DoD policy is to avoid the uneconomical preparation and processing of appropriation reimbursement transactions for small amounts within the Department. For purposes of waiver of reimbursements, small amounts are defined as amounts aggregating less than \$100 within a calendar quarter period. Accordingly, within DMA it will be decided at the receipt of each order whether or not it is anticipated the government organization will place orders aggregating to \$100 or more within a calendar quarter. Each request will be billed or waived as appropriate. Experience factors will be evaluated periodically to assist in this decision process.

3. This same procedure may be followed for the waiver of small reimbursements from other Federal Government agencies.

(e) The product or service is furnished to Members of Congress for official use.

#### 7. Responsibilities.

a. DoD Components. Military Departments, U&S Commands, and other DoD agencies and components forwarding requests for DMA support are to identify their requirements in accordance with DMA Instruction 8052.1 (reference g).

#### b. DMA Headquarters.

(1) The Programs, Production and Operations Directorate (PP) will:

(a) Be the representative to DoD components, federal and state governments, private individuals, and foreign governments on all matters concerning policy and the allocation or proposed allocation of MC&G resources for reimbursable programs.

(b) Perform necessary staff actions in accordance with reference g.

(c) In coordination with DMA(PR) and the requester, determine whether or not reimbursement is required. If reimbursement is not required, the provisions of DMA Instruction 8052.1 will apply.

(d) Be the point of contact for all reimbursable MC&G requests for support that exceed 1 in-house, raw-direct man-year or \$35,000.

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(e) Establish policies and programs as required to support reimbursable requirements, make appropriate assignments to DMA Components, and coordinate reimbursable activities.

(f) As necessary, request the DMA Components to provide estimates of cost, manpower required, completion schedule, and a statement of capability relative to assigned task accomplishment.

(g) Coordinate all matters pertaining to the allocation and utilization of DMA manpower and dollar resources in support of reimbursable programs with the DMA Comptroller.

(2) The Plans and Requirements Directorate (PR) will, when required:

(a) Determine the MC&G validity of the request.

(b) Determine if products available or in development will fulfill the stated need.

(c) Provide operational priority guidance.

(3) The Comptroller (CM) will, when required:

(a) Provide fiscal guidance.

(b) Provide funding authority.

c. DMA Components will:

(1) Accept reimbursable MC&G requests for 1 in-house raw-direct man-year or \$35,000, or less, that satisfies the policies and criteria set forth herein. Acceptance will be reported to HQ DMA in the next quarterly report following the acceptance action. If the request involves more than one DMA Component, or if there is reason to believe another Component could accommodate the request with less impact, the request will be submitted to HQ DMA(PP) for decision.

(2) When accepting and programming reimbursable requests, the component PP will consult with PR for operational priority guidance.

(3) Forward to HQ DMA(PP) for consideration those requests that do not satisfy the criteria established in this instruction.



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(4) Provide authorized reimbursable products and services in accordance with the customer needs.

(5) Accomplish programming, budgeting, accounting, and reporting functions in support of authorized reimbursable products and services.

(6) Bill requesters for products and services rendered.

(7) Expedite a request for increased funding through appropriate Comptroller channels when receipt of an order of reimbursable support exceeds approved reimbursable funding authority.

(8) Avoid production effort beyond the minimum statement of work by the customer.

(9) Provide status and cost information pertaining to assigned tasks as requested by the customer. Provide information copy of response to HQ DMA(PP).

(10) Immediately advise the customer of anticipated or encountered delays or cost overrun in accomplishing accepted tasks. Provide information copy to HQ DMA(PP) as appropriate.

(11) Refer to HQ DMA(PP) any correspondence or inquiries that may involve general policy, cooperation of other government agencies, allocation of DMA resources, expenditure of funds, or a change in requirements for reimbursable DMA support.

## 8. Procedures.

a. All requests for DMA support will be reviewed and analyzed against the policy and criteria contained herein. Four conditions can exist to form a basis for determining whether or not DMA products and services should be reimbursed by the requester. The four conditions are:

- (1) DoD requests for validated MC&G support.
- (2) DoD requests for nonstandard or non-MC&G support.
- (3) Non-DoD requests for MC&G support.
- (4) Non-DoD requests for non-MC&G support.

b. In general, in considering whether a requester should reimburse DMA for services rendered, conditions in paragraph 8.a.(1) and 8.a.(4), above, are fairly straightforward. The

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condition identified in paragraph 8.a.(1) is covered by DMA's primary mission which requires that DMA provide validated MC&G products and services to DoD components free of any charge. The condition identified in paragraph 8.a.(4) is completely outside of DMA's assigned mission and therefore, such services provided should always be reimbursed by the requester. Conditions in paragraph 8.a.(2) and 8.a.(3) require careful analysis against policies and criteria contained herein. The condition in paragraph 8.a.(2) would include requests for nonstandard MC&G products and services or special use items requiring unique production, procurement, or service. Such requests normally require reimbursement; however, if it could precipitate a validation action (recurring requirement, serving more than one User) reimbursement is not required. In every case judicious decisions must be made to ensure that DMA customers and potential customers receive consistent and fair consideration to their requests.

c. Normally all MC&G support requested by DoD components is accomplished with appropriated funds under the provisions of DMA Instruction 8052.1, (reference g). On an exception basis, requests from DoD components for MC&G support that cannot be accommodated in the current year program because of low priority may be accepted on a full or partial reimbursable basis when the requester is willing to provide the resources.

d. Requests received and determined to be for reimbursable work will be analyzed to determine if the requirement can be scheduled so as to have no adverse impact on existing DoD MC&G programs.

(1) If the request can be accommodated, a delivery date is to be established in coordination with the requester and the project included in the next quarterly report.

(2) If the request cannot be accommodated, the request is to be referred to HQ DMA(PP).

e. Reimbursable requests of a recurring nature are to be included in each DMA Component's documentation submitted in support of the DMA Program Objective Memorandum (POM) and Budget Estimates as a nonadd (reimbursable) entry. Such requests from non-DoD customers will be renegotiated, as necessary, each year prior to POM development.

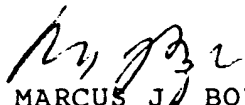
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f. Requests for reimbursable work (non-MC&G) received directly from DoD components without the appropriate Military Department or U&S Command endorsement will be returned to the requester for the necessary staff action.

9. Information Requirements. This instruction does not require the submission of any reports.

10. Component Supplementation. Component supplements are authorized to meet local requirements provided they do not duplicate material contained in this instruction. Components will forward a draft of their proposed supplement to HQ DMA, ATTN: PPI, for review and approval prior to publication.

2 Enclosures a/s

  
MARCUS J. BOYLE  
Colonel, USAF  
Chief of Staff

DISTRIBUTION B+	
HQ DA (DAMI-ISP)	5
CNO (OP-006)	10
OCEANAV	10
USMC (INTM)	5
USAF AFIS/INTB	5
USAF (AFXOOSR)	5
AIR UNIVERSITY (AUL3T-63-720)	1
NATIONAL GUARD BUREAU	5
DIA	5
MILITARY AGENCY FOR STANDARDIZATION	5
JOINT STRATEGIC TARGET PLANNING STAFF	1
USCINCLANT (J-37)	10
USCINCEUR (ECJ2-T)	10
USCINCPAC (J-37)	10
USCINCSO (SCJ2-P)	10
USCENTCOM (CCJ2-T)	10
USSPACECOM (J20R)	10
MAC (INQM)	5
CINCSAC (INTMG)	8
USCINCRD (RCJ2-PC)	10
CIA (AC/DCI)	2
DEPARTMENT OF STATE (INR/M)	10
NSA	5
USCG	2

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#### REFERENCES

- a. DMA Instruction 8660.1, "DMA Policy and Responsibilities Relating to the Sale of DMA Products and Services," 5 August 1982.
- b. DMA Instruction 8052.3, "DoD MC&G Support of NASA," 12 December 1972.
- c. DoD Instruction 4000.19, "Interservice, Interdepartmental, and Interagency Support," October 14, 1980.
- d. DMA Instruction 5400.7, "DMA Freedom of Information (FOIA) Program," 8 June 1983.
- e. DoD 7290.3-M, "Foreign Military Sales Financial Management Manual," September 1986.
- f. DMA Instruction 7730.53, "Specialized or Technical Services Provided to State and Local Units of Government," 7 March 1983.
- g. DMA Instruction 8052.1, "Validation of Requirements for New or Modified Non-Crisis Mapping, Charting and Geodetic (MC&G) Products and Services," 27 December 1984.

Enclosure 1

DMAINST 8050.2

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### REIMBURSABLE COST ESTIMATING PROCEDURES

1. Cost Estimate for DoD Components Requesting Unfunded Nonreprogrammable MC&G Services.

- a.  $\frac{\text{Man-hour Estimate (Raw)} + \text{Leave}}{\text{Man-year Factor}} = \text{Adjusted Man-years.}$
- b. Adjusted Man-years x average annual salary = Man-year cost.
- c. Man-year cost + material costs (Direct Only) = Total Cost.

2. Cost Estimate for Non-DoD U.S. Government Agencies Requesting Validated DMA Products and Services.

- a.  $\frac{\text{Man-hour Estimate (Raw)} + \text{Leave}}{\text{Man-year Factor}} = \text{Adjusted Man-years.}$
- b. Adjusted Man-year x Department Indirect Factor = Adjusted Man-years through Departmental Level.
- c. Departmental Adjusted Man-years x Average Annual Salary = Man-year cost.
- d. Man-year Cost + Indirect Material Cost + Direct Material Cost = Total Cost.

3. Cost estimate for DoD Components requesting Non-MC&G Products and Services. Use same estimating procedure as for 2, above.

4. Cost Estimate for All Other Situations and Customers, e.g., Private Individuals and Enterprises, Foreign Governments w/o International Agreements and All Customers (Excluding DoD Components) Requesting Non-MC&G Products and Services.

- a.  $\frac{\text{Man-hour Estimate (Raw)} + \text{Leave}}{\text{Man-year Factor}} = \text{Adjusted Man-years.}$
- b. Adjusted Man-years x Department Indirect Factor = Adjusted Man-years Through Departmental Level.
- c. Departmental Adjusted Man-years x Operational Support Factor x Administrative Support Factor = Total Adjusted Man-years.

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- d.  $\text{Total Adjusted Man-years} \times \text{Average Annual Salary} = \text{Total Manpower Cost.}$
- e.  $\text{Direct Material Cost} \times \text{Transportation Factor} = \text{Transportation Cost.}$
- f.  $\text{Total Manpower Cost} + \text{Direct and Indirect Material Cost} + \text{Fixed Charges} + \text{Transportation and/or Shipping Charges} = \text{Total Costs.}$